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Governor
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Executive Director
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State of Utah

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203
801-538-5340

May 7, 1991

TO: Board of Oil, Gas and Mining

THRU: Lowell P. Braxton, Associate Director, Mining *LPB*

THRU: Wayne Hedberg, Permit Supervisor, Minerals Program *WH*

FROM: Holland Shepherd, Senior Reclamation Specialist *HS*

RE: Board Review of Bingham Pits 1991 Joint Annual Reclamation Plan, Kennecott Utah Copper, M/035/002, Salt Lake County, Utah

The original Mined Land Reclamation Contract for the Bingham Pit was approved September 28, 1978 (please see attached). The language in the contract requires the development of a Joint Annual Reclamation Plan for the Bingham Pit mine, which is to be subject to Board review before the onset of each reclamation year. In carrying out the intent of the original agreement, Kennecott has developed and submitted an Annual Reclamation Plan to the Division, and plans to present it to the Board for review at the upcoming May 23rd Briefing Session.

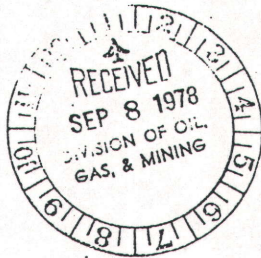
The Division has reviewed the plan and is in concurrence with the reclamation projects proposed in it (please see attached letter and executive summary of the 1991 Annual Reclamation Plan). The process of the joint development of the plan is something that has been recently initiated between Kennecott and the Division, and will need to be refined further as time goes on.

The original intent of the agreement was to allow for state-of-the-art reclamation methodologies to be incorporated into the operator's reclamation plan/program. At the time the plan was developed and approved (1978), it was obvious to the Division and Kennecott, that large portions of the site, which were disturbed pre-law, would require the use of unconventional reclamation techniques to eventually accomplish successful reclamation. The 1978 Reclamation Contract was intended to put a process in motion that would allow for experimentation with various reclamation techniques, documentation of these techniques, then implementation of successful techniques on a broad scale at the Kennecott site.

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Board Memo
Kennecott Utah Copper
M/035/002
May 7, 1991

During the last two years, the Division has become more actively involved in the development and review of Kennecott's annual reclamation plans. It is our intention to continue to work closely with Kennecott, as reclamation plans and state of the art techniques continue to evolve, are tested and eventually implemented at the Bingham Canyon Mine. We are very ~~pleased~~ with Kennecott's latest Annual Reclamation Plan. The Board is encouraged to review the attached summary and feel free to ask any questions that you may have regarding the plan, following Kennecott's formal presentation. Thank you for your time and consideration in hearing this matter.

jb
Attachments
M035002.4



STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
BOARD OF OIL, GAS, AND MINING
1588 WEST NORTH TEMPLE
SALT LAKE CITY, UTAH 84116

* MINED LAND RECLAMATION CONTRACT *

THIS CONTRACT, made and entered into this 28TH day of SEPTEMBER, 1978, between Kennecott Copper Corporation a corporation duly authorized and existing under and by virtue of the laws of State of Utah as party of the first part, and hereinafter called the Operator, and the BOARD OF OIL, GAS, AND MINING, duly authorized and existing by virtue of the laws of the State of Utah, as party of the second part hereinafter called the Board.

WITNESSETH:

WHEREAS, the Operator is the owner and in possession of certain mining claims and/or leases hereinafter more particularly mentioned and described in Exhibit "A" attached hereto.

WHEREAS, the Operator did on the Ninth day of August 1976, file with the Division of Oil, Gas, and Mining, a "Notice of Intention to Commence Mining Operations" and a "Mining and Reclamation Plan" to secure authorization to engage, or continue to engage, in mining operations in the State of Utah, under the terms and provisions of the Mined Land Reclamation Act, Section 40-8, U.C.A., 1953.

WHEREAS, the Operator is able and willing to reclaim the above mentioned, "lands affected" in accordance with the approved Mining and Reclamation Plan, the Mined Land Reclamation Act of 1975 and the rules and regulations adopted in accordance therewith.

WHEREAS, the Board has considered the factual information and recommendations provided by the Staff of the Division of Oil, Gas, and Mining as to the magnitude, type and costs of the approved reclamation activities planned for the land affected.

WHEREAS, the Board is cognizant of the nature, extent, duration of operations, the financial status of the Operator and his capability of carrying out the planned work.


NOW THEREFORE, for and in consideration of the mutual covenants of the parties by each to the other made and herein contained, the parties hereto

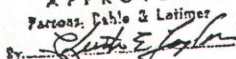
agree as follows:

1. The Operator promises to reclaim the land affected in accordance with its Mining and Reclamation Plan which was approved by the Board on February 22, 1978, the Mined Land Reclamation Act, and the rules and regulations adopted in accordance therewith.
2. The Board, in lieu of accepting the posting of a bond or other surety, accepts the personal guarantee of the Operator to reclaim the land affected in accordance with its approved reclamation plan.
3. The Board and Operator both agree that the Operator will be obligated to expend a minimum average, excluding salaries, but not operating wages, of \$50,000 - 1978 dollars per year for each three (3) year period, in maintaining a program of experimentation and in the application of the best available technology toward rehabilitation of land associated with or affected by mining or processing operations.
4. The Board and Operator further agree that the annual expenditure as set forth in paragraph three (3) above, unless waived by the Board, will continue until mining as described in the notice of intention is permanently terminated, and that said annual expenditure will not constitute the fulfillment of the obligations of the Operator as to mined land reclamation. The Operator further agrees to waive the requirements for the fixed sum as surety as required in Section 40-8-14 (8), U.C.A., 1953.
5. The Operator agrees to provide to the Board and Division annually, a detailed report of reclamation work performed during the preceeding year, including a cost accounting for said reclamation work in 1978 dollars.
6. The Operator further agrees to work jointly with the Division in establishing annual reclamation plans for each forthcoming year. Said plan will be subject to the review of the Board. Consideration will be given to the annual report of the previous year in establishing such plans.
7. The Operator agrees to designate a responsible individual who is involved in the Operator's on-going reclamation efforts, who will serve as liaison to the Division.
8. This contract shall be binding on all successors and assigns, to the Operator.


IN WITNESS THEREOF, the parties of the first and second parts, hereto have respectively set their hands and seals this 28 day of September, 1978

ATTEST:



Assistant Secretary

APPROVED
Patrons: Cable & Lotinger
By: 

KENNECOTT COPPER CORPORATION

By: 
President
Its Metal Mining Division

BOARD OF OIL, GAS, AND MINING

By: 
Chairman

Note: If the Operator is a corporation, the agreement should be executed by its duly authorized officer with the seal of the corporation affixed.

Kennecott
Utah Copper
P.O. Box 525
Bingham Canyon, Utah 84006-0525
(801) 569-6555

Cindy S. Emmons
Director, Environmental Affairs

Kennecott

April 23, 1991

Mr. Lowell Braxton
Associate Director, Mining
State of Utah Dept. of Natural Resources
Division of Oil, Gas and Mining
3 Triad Center, Suite 350
Salt Lake City, UT 84180-1203

Subject: Executive Summary of Planned 1991 Reclamation Activities

Dear Mr. Braxton:

Enclosed is an executive summary of the planned 1991 reclamation activities for Kennecott Utah Copper.

It is our understanding that you concur with the planned activities and will make a recommendation to the DOGM Board for plan approval at the May meeting. We will be happy to provide additional information to the Board at that meeting.

Please advise if I may be of further assistance.

Sincerely,

Cindy S. Emmons

Cindy S. Emmons
Director, Environmental Affairs

CSE:bt

Enclosure

cc: R. K. Davey

RECEIVED

APR 25 1991

DIVISION OF
OIL GAS & MINING

Kennecott Utah Copper Corporation

Reclamation Activities Plan for 1991

Executive Summary

Kennecott has presented nine reclamation projects for the 1991 reclamation season. Additional projects may be forthcoming as engineering plans become more solidified.

Kennecott Utah Copper expects to accomplish the following projects:

1. STATE MOTORCYCLE PARK (Lark Tailings) Lark, Utah - Monitor Reclamation from 1990. Sample exposed tails to determine capping requirements. Use information to plan Fall planting, if appropriate.
2. KENNECOTT TAILINGS POND - Annual Stabilization - Fertilize and seed graded areas. Steep-sided slopes will be seeded by hydromulch.
3. TALL TREE PROGRAM - Tailings Pond Perimeter - Continuation of existing program to plant tall trees around the tailings pond. The 1991 program will concentrate on the southwest corner of the tailings impoundment.
4. HYDROMULCH MINE WASTE SLOPES - Copper Notch Test Plot Area, Bingham Canyon Mine - To test hydromulch techniques at waste dump test reclamation plots.
5. MINE WASTE TEST PLOT EVALUATION - Copper Notch Test Plots - Evaluation of plots planted in 1991.
6. BINGHAM CANYON RESERVOIR - Post construction grading and seeding - Vegetate and stabilize area disturbed by construction and maintenance.
7. BINGHAM CANYON SLOPE REVEGETATION - Bingham Canyon Mine Road - Plant the mine approach road and slopes at selected locations using trees, shrubs and grasses.
8. ARTHUR RECLAMATION - Demolish remaining obsolete buildings, regrade and revegetate affected areas.
9. BINGHAM CANYON RESERVOIR/OLD TAILINGS REMOVAL - Remove tailings from past operations and transfer to existing mine waste sites, and vegetate.

Item #3 of the Board approved Reclamation Contract (1978) states that Kennecott will expend a minimum average, excluding salaries, but not operating wages, of \$50,000 dollars per year in

"...Maintaining a program of experimentation and in the application of the best available technology toward rehabilitation of land associated with or affected by mining or processing operations."

The estimated cost to Kennecott Utah Copper for the above projects (excluding salaries) is \$550,000 with the exception of Project #9, for which costs are still being developed.